

August 17, 2001

Mary Jean Duckett, Director  
Division of Payments and Coverage  
Center for Medicaid and State Operations  
Centers for Medicare and Medicaid Services  
7500 Security Boulevard  
Baltimore, MD 21244-1850

Dear Ms. Duckett,

Regarding Montana's Home and Community Based (HCB) Community Supports Waiver for individuals with developmental disabilities, enclosed please find the application including all the required appendices. It is the intention of this Department to work very closely with CMS in gaining approval for this waiver service on or before 9/1/01.

A brief explanation of this new service may be helpful. This program of service was developed in response to the growing number of adult Montanans with developmental disabilities on the waiting list. Many of these individuals lived with their natural families. Some people wanted to live on their own, but needed help. A new service option was needed to meet the expanding need for Department supports. Financial resources were limited, so the service was designed to meet the "essential needs" of persons in the effort to achieve and maintain successful placements in a variety of community settings. In many cases, families would serve a key role in providing "natural supports", so keeping families whole would be a significant need for many recipients. The new service emphasized maximum flexibility and efficiency in meeting the needs of persons on the waiting list who were receiving little or no supports from the Department. The service would be portable, e.g., the funds would follow an individual if the person wanted a different service provider or wanted to move to a new community. The target group to be served would be persons generally aged 18 and older and eligible for services under the state definition of developmental disability who needed support to be maintained successfully in the community.

Community Supports services were phased in for persons starting on 10/1/99, based upon an understanding between the Director of the Developmental Disabilities Program and the HCFA Baltimore office staff: The Department would be implementing a new service, ironing out

problems and submitting an amendment to the existing waiver prior to the end of FY '00. The Department submitted a draft waiver amendment incorporating this new service to the Region VIII HCFA Denver office on 7/10/00.

Region VIII HCFA staff informed the Department in September of 2000 that this new service could not be incorporated in the existing waiver; a new and separate waiver was required. We were informed that "Community Supports" as a service option was not recognized by HCFA at that time. In October, the service was "frozen", until the new waiver was approved by the HCFA Baltimore office. No new persons could enter the program as of October, 2000. We were informed that all payments made by the Department for the period from 10/1/99 through 6/30/01 would need to be broken out into the pre-approved waiver categories in accordance with the existing (1998) Montana DD waiver. The Initial 372 Reports for FY' 00 and FY' 01 and the Lag Report for FY' 01 could not incorporate Community Supports as a service category; persons served would need to be reported within the pre-existing approved service categories. We are very close to finishing this reporting activity, based upon the manual entry of data from the original cost plans. As of April 1, 2001 there were 267 persons enrolled in Community Supports. This new service now plays an essential role in meeting the needs of Montanans with developmental disability.

The first draft of the waiver application for Community Supports dated 4/27/01 has undergone many revisions as CMS staff from the Baltimore and Denver offices worked with our staff in tackling the inevitable challenges inherent in the development of a new service. We appreciate the ongoing commitment on the part of CMS staff in providing state staff with the technical assistance necessary to achieve compliance with applicable rules and laws governing this new service option. We believe the enclosed application will meet the needs of the Department, the Centers for Medicare and Medicaid Services and the many Montanans with developmental disabilities who need supports to maintain healthy and safe lifestyles in community settings.

Please call Perry Jones of my staff at (406) 444-2995 if you have any questions regarding this waiver application.

Sincerely,

Gail Gray  
Director

cc: Mary Kissell, Sharon Simmons, Eunice Perez; CMS Denver Office  
Donna Jarosinski, CMS Baltimore Office  
Perry Jones, Jannis Conselyea, Jeff Sturm, Joe Mathews, Sue Jackson; Developmental Disabilities Program